

1 The Honorable Karen A. Overstreet  
2 Proposed Hearing Date: April 9, 2010  
3 Proposed Hearing Time: 9:30 a.m.  
4 Chapter 11

5 Diana K. Carey  
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11 UNITED STATES BANKRUPTCY COURT  
12 WESTERN DISTRICT OF WASHINGTON AT SEATTLE

13 In re ) Case No. 10-10209-KAO  
14 QL2 SOFTWARE, INC., )  
15 Debtor. ) [PROPOSED] ORDER MODIFYING EX  
16 ) PARTE ORDER AUTHORIZING RULE  
17 ) 2004 EXAMINATION, GRANTING  
18 ) PROTECTIVE ORDER, AND GRANTING  
19 ) MOTION TO QUASH  
20 )

21 THIS MATTER came on before the Court on the Debtor's Motion for  
22 Reconsideration and For Protective Order and To Quash the Subpoena of Russ Aldrich and  
23 QL2, pursuant to. LR 9013.1(h) and W.D. Wash CR 7(h). The Court, having reviewed the  
24 Motion, the previous Application for ex parte order authorizing the Rule 2004 examination of  
25 QL2 and Russ Aldrich by the Tumelson Family Limited Partnership ("Tumelsons"), and the  
26 files and records herein, and finding that the Debtor has presented adequate grounds for the  
27 court to reexamine its prior decision, that hearing of this matter is appropriate, that granting of  
28 a protective order is proper, and the motion to quash should be granted; now, therefore,

ORDER MODIFYING EX PARTE ORDER, GRANTING  
PROTECTIVE ORDER, AND GRANTING MOTION TO

QUASH - 1

Case 10-10209-KAO

#747749 v1 / 40548-002

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1 IT IS HEREBY ORDERED as follows:

2 1. The Debtor's Motion for Reconsideration is granted.

3 2. The order authorizing Rule 2004 Examination is modified as follows:

4 a) The motion to quash the subpoena to Mr. Aldrich is granted; ~~OR~~

5 b) ~~Tumelsons may take the deposition of Russ Aldrich, to be scheduled at a time~~  
~~convenient to Mr. Aldrich, but this examination cannot cover any communications,~~  
~~written or oral, between Mr. Aldrich or QL2 and any attorney at Graham & Dunn that~~  
~~were made in confidence regarding legal advice.~~

6 7 8 9 10 11 12 [b] QL2 shall produce the following documents pursuant to subpoena, at the offices of  
Miller Nash at 9:00 a.m., April 21, 2010;

13 All records in the possession, custody, or control of QL2 relating to its dealings with  
14 Graham & Dunn and any of its attorneys, from May 23, 2008, to the present, after having  
15 been redacted for privileged and work-product information, limited to the following:

16 (i) Invoices received from Graham & Dunn;

17 (ii) Internal communications of QL2 members or employees concerning Graham  
& Dunn's billing, invoices or payments;

18 (iii) External communication of QL2 officers, directors, shareholders, or  
employees with Graham & Dunn or a third party concerning Graham & Dunn's  
19 billing, the amount of invoices or payments;

20 (iv) Fee agreements between Graham & Dunn and QL2;

21 (v) Payments by QL2 to Graham & Dunn.

22 (vi) The role that Graham & Dunn or any of its attorneys performed in the hiring by  
QL2 of Russ Aldrich;

23 (vii) all documents evidencing the debt of QL2 to Graham & Dunn, including notes  
and security documents.

24 ORDER MOTION FOR RECONSIDERATION, GRANTING  
25 PROTECTIVE ORDER, AND GRANTING MOTION TO  
26 QUASH - 2  
27 Case 10-10209-KAO  
#747749 v1 / 40548-002

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3. This order shall constitute a protective order prohibiting the subpoena of any and all information that is protected by the attorney-client privilege or as attorney work product, as noted above.

DATED this \_\_\_\_ day of April 2010.

*Karen A. Oestreich*  
United States Bankruptcy Judge  
(Dated as of Entered on Docket date above)

Presented by:

*Diana K Carey*  
Diana K. Carey, WSBA #16239  
Attorneys for Debtor-in-Possession,  
QL2 Software, Inc.

ORDER MODIFYING EX PARTE ORDER, GRANTING  
PROTECTIVE ORDER, AND GRANTING MOTION TO  
QUASH - 3  
Case 10-10209-KAO  
#747749 v1 / 40548-002

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